



Marijuana Licensing Ordinance

Committee of the Whole

September 24, 2019

Purpose of Licensing Ordinance

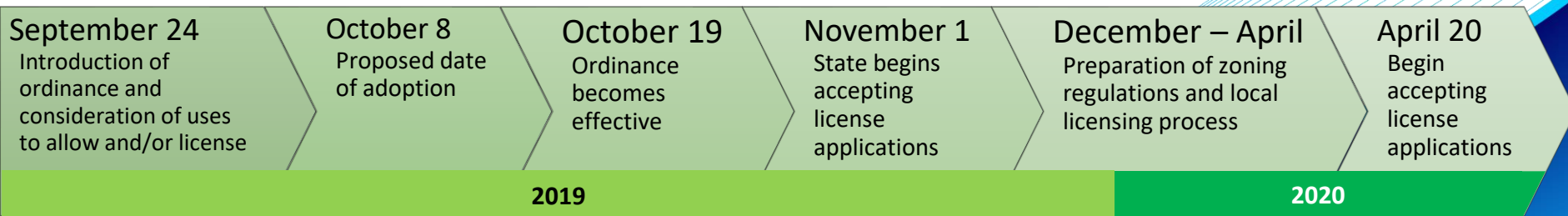
Staff updated City Commission 9/10/19 on marijuana status, process, etc. to date. Additionally, included preliminary discussion of local marijuana ordinances.

Proposed licensing ordinance will:

1. Opt-in for recreational marijuana
2. Require license for all marijuana types
3. Track licensee commitments
4. Provide for additional enforcement capabilities
5. Require basic energy reporting & Universal Design
6. Require energy efficiency for marijuana growing

Timeline for Adoption & Application

- The State of Michigan will begin accepting recreational marijuana license applications on November 1, 2019.
- If a municipality does not have an ordinance in place at that time, it is automatically **opted in** to recreational marijuana uses.
- The proposed licensing ordinance represents an action to opt in for recreational marijuana, and must be in effect by November 1, 2019.
- Acceptance of recreational license applications April 20, 2020.
- Zoning approval for medical will act as temporary license to permit operation before April 20, 2020.
- This allows time for research, public input, and to develop and adopt recreational Zoning Ordinance amendments.



Marijuana License Types

The following table presents the potential areas for licenses and allowances:

Recreational	Medical
Retailer	Provisioning Center
Grower	Grower
Processor	Processor
Secure Transporter	Secure Transporter
Safety Compliance Facility	Safety Compliance Facility
Microbusiness	
Designated Consumption Establishment	
Temporary Marijuana Event	
Marijuana Event Organizer	

Comparison of License Types

		MMFLA (Med)	MRTMA (Rec)	MRA (Admin Rules)
Growers	Class A	500 plants	100 plants	
	Class B	1,000 plants	500 plants	
	Class C	1,500 plants	2,000 plants	
	Excess		>13,000 plants	
	Microbusiness		150 plants + processor, retail	
	Processor	Processing into other products		
Storefronts	Provisioning Center	Retail sale		
	Retailer		Retail sale	
	Designated Consumption			On-site consumption
Events	Temp. Marijuana Event			On-site sale & consumption
	Marijuana Event Organizer			Host events
	Safety Compliance Lab	Testing for safety, potency, homogeneity		
	Secure Transporter	Transport between grower, processor, point of retail sale		

Recreational Marijuana License Types

Michigan Regulation & Taxation of Marijuana Act (MRTMA)

- Class A, B, C Grower
- Processor
- Retailer (equivalent to Provisioning Center)
- Safety Compliance Facility
- Secure Transporter
- Microbusiness (<150 plants, processor, retailer)

Marijuana Regulatory Agency (MRA) Administrative Rules

- Excess Grower (>13,000 plants)
- Designated Consumption Establishment
- Temporary Marijuana Events
- Marijuana Event Organizer

Recreational License Considerations

Until December 6, 2021:

- *Class A Grower & Microbusiness Licenses:*
Only issued to Michigan Residents
(at the time of license application submittal)
- *Class B & C Grower, Processor, Retailer, Secure Transporter:*
Only issued to Medical Marijuana licensees

State requirements for Recreational licenses:

- Minimum capitalization requirements removed.
- All have \$6,000 state application fee.
- Varying initial licensing fees (\$4,000 - \$40,000).
- Sliding scale of renewal fees, proportional to volume in comparison to others.

Other Licensing Ordinance Sections

7.367 Environmental Sustainability

- (1) All marijuana uses required to report energy usage – 2030 District
- (2) Growers required to:
 - (a) Create environmental sustainability plan
 - (b) High-efficiency lighting for 50% of plant canopy
 - (c) Whole building energy audit

7.368 Conduct of Business

- (9) Compliance with Universal Design Standards

7.370 License Denial, Suspension or Revocation

- (1) Provides reasons for denial, suspension, revocation, nonrenewal
- (3) Allows for a hearing to appeal a denial

Decision Points

1. Which uses should be allowed and/or licensed?

Recreational	Medical
Retailer	Provisioning Center (currently SLU)
Grower	Grower (SLU)
Processor	Processor (SLU)
Secure Transporter	Secure Transporter (Admin. Approval)
Safety Compliance Facility	Safety Compliance Facility (Admin)
Microbusiness	
Designated Consumption Establishment	
Temporary Marijuana Event	
Marijuana Event Organizer	

2. Do regulations need to be added or removed?